THE HON'BLE SMT. JUSTICE T. MEENA KUMARI
AND
THE HON'BLE MS. JUSTICE G. ROHINI

WRIT PETITION No.26247 of 2007

Date: 11th DECEMBER, 2007

Between :
Sri Jayalakshmi Spinning Mills Ltd.,
Jayalakshminagar,
Chebrolu-522212, Guntur District.

.....Petitioner

And

The Commercial Tax Officer,
Gandhi Chowk Circle, Tenali and others.

.....Respondents.

THE HON'BLE SMT. JUSTICE T. MEENA KUMARI
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WRIT PETITION No.26247 of 2007

ORDER : (Per Hon'ble Smt. Justice T. Meena Kumari)

Heard learned Counsel for the parties. With their consent, the Writ Petition is being disposed of at this stage.

The petitioner-company filed the present writ petition seeking a writ of mandamus or any other appropriate writ or order or direction declaring the action of the 1st respondent in issuing the Garnishee Notice dated 28.11.2007 as illegal, arbitrary and without jurisdiction.

The grievance of the petitioner is that even when the appeals filed by the petitioner are pending before the Sales Tax Appellate Tribunal, Visakhapatnam under CST Act and the statutory appeal filed by it is also pending before the 3rd respondent, the first respondent issued the impugned garnishee notice dated 28.11.2007 directing to pay a sum of Rs. 41,98,107.00 towards tax under the CST Act for the assessment year 2003-2004. Hence, it filed the present writ petition seeking appropriate directions.

We have gone through the record. We feel that the interests of justice would have been met if stay was granted pending appeal, subject to deposit of half of the disputed tax liability. Therefore, we quash the impugned garnishee notice dated 28.11.2007 and direct the petitioner to

pay 50% of the disputed tax liability within a period of six weeks from today. For six weeks, there shall be an unconditional stay and stay shall continue till disposal of appeals, provided the amount is deposited within the stipulated time. The deposit of amount shall be without prejudice to the rights of the petitioner in appeals. If any amount has already been paid by the petitioner, the same shall be given credit to.

The Writ Petition is disposed of accordingly. No costs.

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T. MEENA KUMARI,J

DATE: 11th December, 2007

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G. ROHINI, ,J

Note:
Furnish c.c. by tomorrow
B/o
pnb